

St. Mary's Catholic Primary School Chiswick
"Living and learning, inspired by our faith"

FINANCE POLICY



September 2026

Anna Stotzy

Chair of Resources and Premises Committee

Next Review Date: September 2028

1. Aim

- 1.1. To manage the finances in an efficient, controlled and cost-effective manner which will support the school's efforts in raising pupils' achievement.

2. Objectives

- 2.1. To clearly define the areas of responsibility for Governors, Head Teacher, other staff and the accounting company, currently Local Management Support Ltd.
- 2.2. To show how income and expenditure are controlled.
- 2.3. To identify how the budget is set and how the priorities for the financial year are determined.
- 2.4. To enable Governors to identify a clear, direct link between the financial priorities and the School's Development Plan.
- 2.5. To identify the security procedures for cash control, computerised procedures, data storage and documentation.
- 2.6. To identify the procedures for implementing the LA's Financial Regulations.

3. Abbreviations Used

GB	Governing Body
HT	Head Teacher
LA	Local Authority
LMS	Local Management Support Ltd
RC	Resources and Premises Committee of the Governing Body
SBM	School Business Manager
SDP	School Development Plan
SFVS	School Financial Value Standard
SLT	Senior Leadership Team
SIP	School Improvement Plan

4. Responsibilities

- 4.1. The GB is responsible for the management of the school, setting financial policies and ensuring public money is well spent with the day-to-day running being undertaken by the HT.
- 4.2. The GB must submit the Schools Financial Value Standard annually to the Hounslow Local Authority.
- 4.3. The RC is responsible for setting and management of the budget with specific responsibilities being delegated to the HT.
- 4.4. The HT is responsible for submitting the signed (HT and Chair of Governors) approved school budget plan to the LA (annually by mid-May) and budget monitoring information to the LA as required under LA Financial Regulations. (<https://democraticservices.hounslow.gov.uk/%28S%284k323145mbtlkkujhe1zfy45%29%29/documents/s171917/Appendix%20B%20Schools%20Financial%20Regulations.pdf>)
- 4.5. The SBM is responsible for processing financial transactions, providing budget reports and financial returns and operates the financial systems/procedures.

- 4.6. The school employs the services of LMS to provide financial support and monitoring. LMS will work with the SBM and HT to monitor the finances and support the development of the budget.

5. Budget Setting

- 5.1. An annual 3-yr budget will be compiled by the HT, in conjunction with LMS between February and March each year. The budget will consider historical costings, the SDP priorities, initiatives and other known factors, such as the LA's fund allocation. Such allocation should be confirmed no later than 31st March to allow for budget preparation.
- 5.2. It will be presented to the Resources Committee for appraisal at least three weeks ahead of the final deadline for submission to the LA followed by presentation to the Full GB for approval. All planning for future years will remain provisional throughout the planning process.
- 5.3. The budget will show short-term and long-term planning and identify the factors that will influence them.
- 5.4. The budget plan will be constructed to plan for future financial years according to the LA budget cycle.
- 5.5. The relevant parts of these plans will be reflected in the SDP.
- 5.6. Completion will be in the summer term each year so that it can be submitted to the LA by mid-May.

6. Budget Management & Monitoring Procedures

- 6.1. The HT has the responsibility for the day to day running of the budget development.
- 6.2. The SBM reconciles the AGRESSO (LA Accounting system) payroll information against the budget plan. The HT has a monitoring role and responds to the queries raised and ensures responses are provided by the relevant officers or departments. The budget plan will be updated if appropriate following the resolution of any queries re the payroll.
- 6.3. The HT and LMS are System Managers for the RM Unify Accounts software and are responsible for the management of user access to the accounting system.
- 6.4. The HT may vire £2,000, but only up to a maximum of 10% of the budget category concerned between funds without referring to the RC for clearance first. This will be reported to the RC at the next meeting and reported to the Local Authority.
- 6.5. Expenditure up to £2,000 which has not been identified in the current approved budget plan may be exercised by the HT without prior consultation of the RC or GB, but needs prior approval from the Local Authority under the Terms of the Notice of Financial Concern.
- 6.6. Virements or expenditure above £2,000 which have not been identified in the current approved budget plan may be made with the approval of the Chair of GB in exceptional circumstances.

- 6.7. The Capitation/Curriculum budget will be allocated by the HT in consultation with budget holders. Monitoring information will be supplied by LMS to the HT / budget holders as requested/agreed.
- 6.8. Each subject co-ordinator will manage their curriculum area allocation. This will be overseen by the HT, who will keep the RC/GB informed regarding expenditure.
- 6.9. The Supply Teacher budgets will be managed by the HT and monitoring information supplied to the HT by LMS.
- 6.10. The SBM is responsible for undertaking benchmarking comparisons, using the DFE benchmarking website.
- 6.11. The HT receives weekly budget analysis reports from LMS.
- 6.12. The HT in conjunction with LMS will provide the RC / GB with a budget management report comprising the latest monthly analysis of budget against expenditure/income at each RC and GB meeting throughout the year.
- 6.13. The HT in conjunction with LMS and SBM will provide the LA with budget monitoring information, in the format specified by the LA and as requested by the LA under the Terms of the Notice of Financial Concern.
- 6.14. The agenda for the RC meetings will be set and circulated one week prior to the date of the next meeting to members by the chair of the RC and then filed in the Headteacher's Finance Folder and on the GovernorHub website.
- 6.15. Accurate minutes of the RC meetings will be prepared, and a signed copy will be filed in the Headteacher's Finance Folder and on the GovernorHub website.

7. Related Policies

- 7.1. The school has a Pay Policy, which will reflect its financial planning. This will be updated annually and will support the staff's annual salary assessment from the Chair of the GB and shared with GB.

8. Bank Accounts & Related Procedures

- 8.1. The HT maintains a list of all school bank and building society accounts with authorised signatories for each. The members of the SLT are authorised signatories for the school accounts.
- 8.2. LMS and the HT will administer the Official School Bank Account.
- 8.3. The Voluntary Funds account, also known as the Parents and Friends account, and the Devolved Funding account will be held at the Diocese of Westminster and managed by the SBM who will be directly responsible to the Chair of Governors for these accounts.
- 8.4. The Historical Voluntary Fund account will be administered by the Chair of the GB.
- 8.5. All cheques from all accounts always require two signatures and these can be a combination of the HT and one other authorised signatory. Bank transfers must always be pre-authorised by two signatories prior to administration by LMS.
- 8.6. Bank statements are reconciled by LMS upon receipt with supporting documentation to the Arbor Finance Account and verified by an independent signature on the relevant documents and checked by the HT.

- 8.7. Control sum reconciliations are undertaken with each reimbursement claim made. Claims are made to the LA on a regular basis by LMS from the accounting records and are verified by two of the schools authorised signatories (including the HT where possible) on the relevant documents.
- 8.8. The HT will authorise purchase orders that are within the budget or have the limits from various Section 6 clauses apply.
- 8.9. The HT will authorise invoices for payments that are within the budget or have the limits from various Section 6 clauses apply.
- 8.10. Stamps are purchased by the SBM and kept under lock and key. Every stamp used is recorded, accounted for in a stamp book and a running total and balance maintained by SBM.
- 8.11. Expense charges over £100 will be pre-approved by the SBM and reimbursed by BACs.

9. Computer/Security Management

- 9.1. A member of the school SLT in conjunction with QLIC is responsible to ensure that data is backed up in the cloud.
- 9.2. LMS are responsible for taking an additional backup each week of the current financial year accounts data.
- 9.3. Access to Arbor Finance Account is controlled by the System Manager and is set at levels appropriate to the level of training and responsibility each user has. Access is password controlled.
- 9.4. LMS are System Managers and have responsibility for managing the security of the system.
- 9.5. LMS are authorised to add new users and to implement any changes to levels of access rights to the software before they are actioned provided the school SLT has been pre-informed.
- 9.6. All system users' passwords should be changed on a regular basis in accordance with the Data Protection policy.

10. Purchasing

- 10.1. The aim when purchasing is to ensure that the school always receives value for money.
- 10.2. Anyone (all staff including teachers, admin staff, support staff, caretakers and cleaners) wishing to place an order must **complete** a School Order form, available from the T Drive. This should be passed to the HT who will authorise the purchase/s once the balance of the specified budget has been checked. The authorised order will then be passed to LMS for processing. They will enter the order onto the Cash Accounts system. In the absence of the HT, the other members of the SLT may authorise orders.
- 10.3. Telephone orders may only be placed by the HT, SBM and Admin in exceptional circumstances, and must be followed up immediately by a standard printed/written order as confirmation.

- 10.4. Delivery notes will be checked off against the items received and the printed authorised order by the Admin Officer, Site Manager, Teacher, or HT upon receipt of a delivery. The delivery note will then be attached to the order.
- 10.5. Delivered items will not be removed from the School Office area until delivery notes are checked, even if they are addressed to a member of staff.
- 10.6. Completed orders will be filed in the Admin Office.
- 10.7. Payment of invoices will be authorised by the HT, and bills will be promptly paid providing delivery notes and orders have been satisfactorily cross checked.
- 10.8. All requisitions for repairs or maintenance should be treated as orders except in the case of emergencies where they may be treated as telephone or online orders.
- 10.9. Quotations/tenders must be obtained for all purchases in line with current LA Financial Regulations, a copy of which is maintained in the school office. Currently all orders for more than £3,000 require that some documentation to be obtained. Please refer to the LA Financial Regulations for further information.
(<https://democraticservices.hounslow.gov.uk/%28S%284k323145mbtlkkujhe1zfy45%29%29/documents/s171917/Appendix%20B%20Schools%20Financial%20Regulations.pdf>)
- 10.10. The HT is responsible for ensuring that all contracts are properly dealt with in terms of leasing regulations, EU procedures, Self-Employment Status, VAT, and all other relevant matters included in LA Financial Regulations or other relevant documentation.
- 10.11. When quotations have been obtained or tenders submitted, value for money and the quality of work, are the key factors, which will inform the HT and RC/GB as they make their decision.
- 10.12. The school will maintain a Register of Interests, which will record staff knowledge of, or relationships with people concerned in providing any paid service to the school. This will be updated at least once per year and upon employment of any new staff to the school.
- 10.13. The GB will ensure all member of the GB also complete a Register of Interests form. The GB will ensure this is updated at least once per year and upon appointment of any new governors.

11. Audit

- 11.1. The school's funds and procedures will be audited by the LA / external auditors on a regular basis for both Internal Audit and SFVS purposes.
- 11.2. The Chair of Governors and the RC will be informed of all audit outcomes immediately.
- 11.3. Any audit report will be presented to the GB at the next meeting, and the Action Plan will be presented to the GB for ratification and agreed.
- 11.4. All Voluntary funds are audited every year by a certified accountant in the autumn term if the fund balance is above £25,000 and the certificate of audit presented to the GB at the next meeting where the audit is recorded in the minutes.

- 11.5. Audit certificates for all voluntary funds are submitted to the LA each year in line with LA Financial Regulations.

12. Insurance

- 12.1. The school will liaise with the Diocese of Westminster and LA to effect and review insurance arrangements. All risks will be reviewed annually to ensure appropriate insurance. Arrangements will cover the school grounds, property and the materials within.

13. Personnel

- 13.1. Payroll information is reconciled in a timely manner by LMS upon receipt of payroll information from the LA. The HT is responsible for ensuring the accuracy of the information and for informing the LA of any discrepancies.

14. Security of Stocks & Property

- 14.1. An inventory is maintained identifying all items to be insured worth over £250. This will identify the purchase of goods, place of location and cost of purchase or replacement.

15. Income

- 15.1. The SBM/admin securely retains receipts and other records of income.
- 15.2. St Mary's is now effectively a cash free school, but any exceptional small cash payments will be tracked and banked within one month.
- 15.3. School trips will be managed and account for through ParentPay which automatically produces tracking of payments and receipts.
- 15.4. No personal cheques are cashed in school / by the school.
- 15.5. Music tuition, dinner monies, sporting activity and all other monies are collected, recorded via Parent Pay.
- 15.6. Cheque payments made to the school that are to be paid into the official school funds via the LA cash collection service must be made out to "London Borough of Hounslow – St Mary's School".
- 15.7. The checking of entitlement to free school meals is the responsibility of the SBM.

16. School Voluntary Fund

- 16.1. The objective of the voluntary funds is to:
- Enable St. Mary's Catholic Primary School to control funds not allocated by the LA.
 - Safeguard the donations made by parents, friends and voluntary bodies to the school.
 - Ensure that when funds are provided, they are used to the benefit of the pupils of St. Mary's Catholic Primary School, Chiswick
- 16.2. The Governing Body - specifically the Chair of the GB or the Chair of the RC - is to approve the operation of the Fund.
- 16.3. All funds used will be countersigned by agreed signatories, being:
The Chair of the GB or Chair of RC in the absence of the Chair of GB

- 16.4. The HT to ensure that voluntary funds are accounted for separately from the school's delegated budget and are held in a separate bank account.
- 16.5. The fund is registered with the Charities Commission as part of the Diocese of Westminster submission.
- 16.6. The School Fund is audited, independently annually as described in Section 11.
- 16.7. Bank account statements are reconciled by the SBM to school records upon receipt. The statement is signed and dated by the SBM and HT to verify it has been reconciled and checked independently.
- 16.8. All income must be fully accounted for. Invoices/receipts for items of expenditure must be maintained and receipts provided for income received.